Policy of Government regarding MSMEs

3342. DR. K. MALAISAMY: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the policy of Government in terms of thrust and priority among micro, small and medium enterprises segment;

(b) the all out efforts given in terms of allocations of funds and initiatives taken;

(c) whether it is a fact that Khadi and Village Industries are on the decline and in distress despite the paramount purpose they are serving; and

(d) the special efforts employed to assist, promote and propagate this segment?

THE MINISTER OF STATE OF THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA J. PATEL): (a) and (b) The Government through the Ministry of Micro, Small and Medium Enterprises (MSME) has been implementing a number of schemes with the objective of having a vibrant MSME sector through the promotion of growth and development of micro, small and medium enterprises including khadi, village and coir industries in cooperation with concerned Ministries/Departments, State Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises.

The major thrust among the MSME segments include providing assistance in the form of margin money subsidy to first generation entrepreneurs to set up new micro enterprises through bank credit under Prime Minister's Employment Generation Programme (PMEGP), facilitating, adequate availability of bank credit through Credit Guarantee Fund Scheme, promotion of MSMEs through cluster based approach and adequate skill development. Details of funds allocation and release by the Ministry during 2008-09 and funds allocated for 2009-10 under some specific and relevant schemes are given in the Statement *(See* below).

(c) and (d) The estimated production, sale and employment of khadi and village industries during last three years are given below, which shows an increasing trend.

Year	Production (Value: Rs. crore)	Sales (Value: Rs. crore)	Employment (lakh persons)
2006-07	14028.71	17562.40	88.92
2007-08	16677.71	21543.48	99.27
2008-09	17338.87	22748.20	103.91

In order to promote khadi, the Government through Khadi and Village Industries Commission (KVIC) has introduced three new schemes in the recent past namely, 'Workshed Scheme for Khadi Artisans' for providing assistance for construction of worksheds for better work environment and the 'Scheme for enhancing productivity & competitiveness of Khadi Industries and Artisans' to assist 200 khadi institutions to make khadi industry competitive with more market driven and profitable

production by replacement of obsolete and old machinery and equipment and 'Strengthening of Infrastructure of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure' which envisages renovation of selected 30 khadi sales outlets and providing assistance for strengthening of infrastructure of existing 100 weak selected khadi institutions.

In addition, the Government through KVIC implements Interest Subsidy Eligibility Certificate (ISEC) scheme for providing bank loans to khadi and polyvastra units at subsidized rates of interest, Janashree Bima Yojana (JBY) to provide insurance to khadi artisans and weavers, Scheme of Fund for Regeneration of Traditional Industries (SFURTI) for development of clusters in khadi, village industries and coir sectors, Product Development, Design Intervention & Packaging (PRODIP) for improved design and packaging of khadi garments, Research & Development and other support services, *viz.*, marketing, export promotion, exhibitions at district, State, zonal & national level, design facility, brand building, etc.

Details of funds actual released against allocation in RE 2008-09 and allocation in BE 2009-10

Sl.No.	Name of the scheme.	Annual Plan 2008-09 (RE)	Actual Release 2008-09	Annual Plan 2009-10 (BE)
1.	Prime Minister's Employment Generation Programme (PMEGP)	823.00	823.00	823.00
2	Quality of Technology Support Institutions and Programmes	213.15	174.79	268.00
3.	Promotional Services Institutions and Programmes	42.53	35.19	57.00
4	MSME Clusters Development Programmes and MSME Growth Poles	35.00	18.08	39.00
5	Scheme of Fund for Regeneration of Traditional Industries (SFURTI)	16.95	16.95	17.00
6	Credit Support Programme	179.01	178.67	144.00
7	MDA Programme	6.55	2.42	11.00
8.	Upgradation of Data Base	27.50	30.52	20.00
	TOTAL :	1343.69	1279.62	1379.00

Eleventh Plan target of PMRY

†3343. DR. RAM PRAKASH:

SHRI RANJITSINH VIJAYSINH MOHITE-PATIL:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

† Original notice of the question was received in Hindi.